



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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M E M O R A N D U M

TO: The Honorable Dave Goetz, Commissioner
Department of Finance and Administration

FROM: Bill Ketron, Chairman, Fiscal Review Committee *BK*
Charles Curtiss, Vice-Chairman, Fiscal Review Committee *CC*

DATE: June 2, 2010

SUBJECT: **Contract Comments**
(Fiscal Review Committee Meeting 6/2/10)

RFS# 318.66-052

Department: Finance & Administration/Bureau of TennCare

Contractor: AMERIGROUP Tennessee, Inc. – Middle Tennessee Region

Summary: The vendor is responsible for the provision of physical and behavioral health services to TennCare enrollees in the Middle Tennessee region. The proposed amendment adds language to comply with the Annual Coverage Assessment Act of 2010; creates new method for adjusting the long-term care component of the base capitation rate; and adds new liquidated damages.

Maximum liability: \$3,276,453,258

Maximum liability w/amendment: \$3,276,453,258

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Darin Gordon, Deputy Commissioner
Mr. Robert Barlow, Director, Office of Contracts Review